

**SERVICE DATE**  
**Oct 14, 2021**

PSC REF#: 423096

Public Service Commission of Wisconsin  
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**PUBLIC SERVICE COMMISSION OF WISCONSIN**

Wisconsin Power and Light Company Conservation Activities and  
Voluntary Utility Programs for 2022

6680-EE-2022

**FINAL DECISION**

This is the Final Decision in the July 6, 2021 application by Wisconsin Power and Light Company (WP&L) for approval to implement two voluntary energy efficiency programs in 2022. At its open meeting of September 16, 2021, the Commission considered WP&L's application. This application is APPROVED, subject to the conditions described in its Final Decision.

**Introduction**

WP&L proposed to continue two voluntary programs first approved by the Commission for 2018. ([PSC REF#: 331918](#).) First, WP&L proposed to continue operating its Enhanced Low Income Weatherization Program (ELIWP), which serves low-income, residential natural gas customers with incomes below 80 percent of the state median income. ELIWP provides bonus incentives to low-income customers participating in Focus on Energy's (Focus) Home Performance with ENERGY STAR® Program to cover the remaining costs of weatherization projects that would otherwise be paid by the participant, up to a cap of \$8,000 per project. The program also pays for the full costs of other efficiency and safety measures identified during inspection of participant homes, including leak repairs, carbon monoxide detectors, and LED light bulbs. WP&L proposed to extend the operation of ELIWP into 2022 and serve an additional 50 customers. WP&L also proposed to continue operating, and expand the scope of, its pilot program to install Sense Home Energy meters (Sense meters) in residential homes.

Sense meters provide customers with real-time information on home energy use, including specific data on energy used by individual technologies that can be accessed through an online platform and a smartphone app. This access could help encourage customers to make behavioral changes to save energy; encourage participation in Focus programs by identifying inefficient technologies that could be targeted for replacement; and collect data that further benefits WP&L by helping inform its analysis of the potential impact of future implementation of time of use rates and demand response initiatives.

The 2022-2023 Sense pilot activities proposed by WP&L would continue to provide support and analysis of Phase One, Phase Two, Phase Three, and Phase Four participants as well as initiating Phase Five of the pilot. Phase Five of the pilot would target installation of an additional 500 Sense meters to test new, targeted energy saving applications of the monitoring technology and develop quantitative information on the ability of the technology to shift energy demand off peak. WP&L proposed a two-year period for Phase Five of the Sense Pilot to allow for sufficient time to recruit participants, install the monitoring devices, and conduct a series of demand response events.

### **Findings of Fact**

1. The proposed programs, as conditioned by this Final Decision, are reasonable and in the public interest.

### **Conclusions of Law**

1. The Commission has the authority to approve the proposed voluntary energy efficiency programs, as conditioned by this Final Decision, under Wis. Stat. §§ 196.02, 196.374(2)(b)2., and 196.395, and Wis. Admin. Code § PSC 137.08.

### **Opinion**

Wisconsin Admin. Code § PSC 137.08 sets forth a list of factors the Commission must consider in reviewing a request to implement voluntary energy efficiency programs. The Commission has considered these factors and makes the following determinations.

The proposed ELIWP includes appropriate energy efficiency measures, serves a population of low-income residents, and is designed to be coordinated with Focus. The Commission concludes that the ELIWP can be funded by using a combination of unspent funds from prior program years and an additional \$246,000 in budget requested by WP&L to support its customer participation goals and added outreach activities.

The Sense pilot also includes appropriate energy efficiency measures by providing information on energy efficiency opportunities within participant homes; provides services to a range of residential customers throughout WP&L's territory; and its two-year budget of \$1,197,510 is reasonable to support the proposed program activities. While the Sense pilot does not have quantified performance goals, this is reasonable given that the pilot is primarily intended to collect information on new technologies and inform design of future programs.

Based on these findings, the Commission determines that it is reasonable to approve WP&L's request to continue operating the ELIWP in 2022 subject to the condition requiring WP&L to submit an evaluation plan for Commission staff approval by December 1, 2021.

Chair Valcq dissents and would not have required WP&L to submit a 2022 ELIWP evaluation plan.

The Commission determines it is reasonable to approve WP&L's request to operate Phase Five of the Sense Pilot for the 2022-2023 program years as proposed subject to the

conditions requiring WP&L to submit an evaluation plan for the 2022-2023 Sense Pilot for Commission staff approval as well as an updated coordination plan with Focus by December 1, 2021. The Commission directs WP&L to address in its 2022-2023 Sense Pilot evaluation plan its plans to perform a cost-benefit analysis of the Sense Pilot program including an assessment of the program's ability to cost-effectively deliver energy and demand savings.

Commissioner Nowak dissents, would not have approved the 2022-2023 Sense Pilot as proposed and writes separately (see attached).

### **Order**

1. WP&L's application for approval to implement the ELIWP in 2022 and the Sense Pilot in 2022-2023 as voluntary energy efficiency programs is approved, as conditioned by this Final Decision.

2. WP&L's shall submit an evaluation plan for the 2022 ELIWP for Commission staff approval by December 1, 2021.

3. WP&L shall submit an evaluation plan for the 2022-2023 Sense Pilot for Commission staff approval by December 1, 2021. The evaluation plan shall address WP&L's plans to evaluate the cost-effectiveness of the pilot program.

4. WP&L shall submit an updated plan for Sense Pilot coordination with Focus on Energy by December 1, 2021.

5. This Final Decision takes effect one day after the date of service.

6. Jurisdiction is retained.

**CONCURRENCE AND DISSENT**

Commissioner Nowak concurs with the Commission's approval of continuation of the ELIWP in 2022, and dissents on approval of the Sense pilot and writes separately (see attached).

Dated at Madison, Wisconsin,

By the Commission: the 14<sup>th</sup> day of October, 2021.

A handwritten signature in black ink that reads "Steffany Powell Coker". The signature is written in a cursive, flowing style.

Steffany Powell Coker  
Secretary to the Commission

SPC:KN:TK:JP:MH:kle:jac DL:01831064

See attached Notice of Rights

PUBLIC SERVICE COMMISSION OF WISCONSIN  
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**NOTICE OF RIGHTS FOR REHEARING OR JUDICIAL REVIEW, THE  
TIMES ALLOWED FOR EACH, AND THE IDENTIFICATION OF THE  
PARTY TO BE NAMED AS RESPONDENT**

The following notice is served on you as part of the Commission's written decision. This general notice is for the purpose of ensuring compliance with Wis. Stat. § 227.48(2), and does not constitute a conclusion or admission that any particular party or person is necessarily aggrieved or that any particular decision or order is final or judicially reviewable.

*PETITION FOR REHEARING*

If this decision is an order following a contested case proceeding as defined in Wis. Stat. § 227.01(3), a person aggrieved by the decision has a right to petition the Commission for rehearing within 20 days of the date of service of this decision, as provided in Wis. Stat. § 227.49. The date of service is shown on the first page. If there is no date on the first page, the date of service is shown immediately above the signature line. The petition for rehearing must be filed with the Public Service Commission of Wisconsin and served on the parties. An appeal of this decision may also be taken directly to circuit court through the filing of a petition for judicial review. It is not necessary to first petition for rehearing.

*PETITION FOR JUDICIAL REVIEW*

A person aggrieved by this decision has a right to petition for judicial review as provided in Wis. Stat. § 227.53. In a contested case, the petition must be filed in circuit court and served upon the Public Service Commission of Wisconsin within 30 days of the date of service of this decision if there has been no petition for rehearing. If a timely petition for rehearing has been filed, the petition for judicial review must be filed within 30 days of the date of service of the order finally disposing of the petition for rehearing, or within 30 days after the final disposition of the petition for rehearing by operation of law pursuant to Wis. Stat. § 227.49(5), whichever is sooner. If an *untimely* petition for rehearing is filed, the 30-day period to petition for judicial review commences the date the Commission serves its original decision.<sup>1</sup> The Public Service Commission of Wisconsin must be named as respondent in the petition for judicial review.

If this decision is an order denying rehearing, a person aggrieved who wishes to appeal must seek judicial review rather than rehearing. A second petition for rehearing is not permitted.

Revised: March 27, 2013

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<sup>1</sup> See *Currier v. Wisconsin Dep't of Revenue*, 2006 WI App 12, 288 Wis. 2d 693, 709 N.W.2d 520.

## **PUBLIC SERVICE COMMISSION OF WISCONSIN**

Wisconsin Power and Light Company Conservation Activities and  
Voluntary Utility Programs for 2022

6680-EE-2022

### **DISSENT OF COMMISSIONER NOWAK**

I write to dissent from the Commission's approval of the Sense Pilot, a component of Wisconsin Power & Light's (WP&L) 2022 Voluntary Energy Efficiency Programs, in docket 6680-EE-2022. I concur with the Commission's approval that allowed WP&L to continue to operate its Enhanced Low-Income Weatherization Program for the 2022 program year.

While I approved the first several years of the Sense Pilot, the information gathered from those years has demonstrated that the continuation of the program is not in the best interest of ratepayers.

Under this program, Sense Home Energy Meters measure energy usage at intervals of multiple times per second, providing customers with real-time feedback on their energy usage which they can use to make behavioral changes to save energy.

The Commission first approved WP&L's Sense Pilot in October 2017 for the 2018 program year. The initial proposal (Phase I) aimed to install 100 Sense meters in 100 single family residential homes in rural areas. ([PSC REF#: 331918.](#)) Phase II of the Sense Pilot which covered program year 2019 added an additional 100 customers from the non-rural areas of the program. Phase III of the Sense Pilot, which covered the 2020 program year included the installation of another 100 Sense meters, the recruitment of an additional 100 participants to install a new metering device with similar capability as Sense meters but not as costly was

approved in November 2019. ([PSC REF#: 378620](#).) Phase IV of the Sense Pilot was approved in the Commission's order of October 16, 2020 that that expanded the target installation of Sense meters to 100 customers who are homeowners earning below 80 percent of state median income. ([PSC REF#: 398422](#).) WP&L's Sense pilot proposal that the Commission approved for 2022-23 includes funding to support serving and evaluating prior program phases and an expansion into Phase V, which proposes to deploy an additional monitors to 500 homes.

The total budget approved for Phases I-IV was \$1,330,510. Based on data the utility conveyed to Commission staff, approximately \$704,000 of the budget has been spent as of mid-September, 2021. Recruitment of participants for Phases I-III is complete and is underway for Phase IV. ([PSC REF#: 415269](#).) Thus, 400 ratepayers have had a Sense Meter installed.

A survey of the Sense Monitor Pilot demonstrated that 61 percent noticed a decrease in monthly energy costs between \$5-15. (*Id.*) The maximum participation level for Phases I-IV is 500. If the utility spends the entire allotted budget for Phases I-IV, then the average cost for a ratepayer to save \$120 per year (taking the mean of the survey results noted above), is \$2,661.02 ( $\$1,330,510.10/500$ ). The math simply doesn't work out. The Commission must be good stewards of ratepayer dollars. We allowed the program to run for a few years and must use the results to inform us if it should continue. The results tell us that it should not. Expanding the program to allow it to double in size of participants and increase the budget by \$1.1 million simply isn't justified. While I don't dispute the results of the survey that demonstrated monthly bill savings and high participant satisfaction, spending \$22 for every dollar saved is proof of a costly pilot program that has failed. I would hate to have to explain to a person struggling to pay increasing energy bills that we lacked the courage to end a costly failed program.



I also raised a concern about a component of Phase V that would permit WP&L to install Flex Sensors, which are dedicated single circuit monitoring attachments that deliver data about HVAC system faults. The Flex Sensor would allow the utility to identify equipment faults that are a precursor to a system failure which may provide the customer time to consider an upgrade to a high efficiency system. If this Sensor is a device that a HVAC retailer can install, I question the authorization of a monopoly to also offer a product and service. WP&L did not provide information that satisfied me that the Flex Sensor would not compete with the free market's ability to offer this product and service.